



TEXAS DEPARTMENT OF INSURANCE

Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)

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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name

SOUTHWEST CENTER MEDICAL PA

Respondent Name

EAST TEXAS EDUCATIONAL INSURANCE

MFDR Tracking Number

M4-17-3159-01

Carrier's Austin Representative

Box Number 17

MFDR Date Received

June 26, 2017

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "As a CARF Accredited facility we are exempt from preauthorization. We did not exceed ODG allowing for up to 160 hours of work hardening for the compensable injury of [injury]."

Amount in Dispute: \$4,224.00

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "I have also attached a copy of a Memorandum sent by Division of Workers' Compensation to Wolmed Back and Neck Pain Center (Southwest Center) on 2/1/16, which documents although their facility is CARF accredited, services outside ODG would require preauthorization. It is our position that services are outside ODG, would require preauthorization. It is our position that services are outside ODG, would require preauthorization and that denial should be maintained for this reason."

Response Submitted by: Claims Administrative Services, Inc.

SUMMARY OF DISPUTED SERVICE(S)

Date(s) of Service	Disputed Service(s)	Amount In Dispute	Amount Due
June 27, 2016 through July 18, 2016	97545-WH-CA and 97546-WH-CA	\$4,224.00	\$4,224.00

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

- 28 Texas Administrative Code §133.307, sets out the procedures for resolving medical fee disputes.
- 28 Texas Administrative Code §134.600, sets out the guidelines for preauthorization, concurrent review, and voluntary certification of healthcare.
- 28 Texas Administrative Code §134.204, sets out the fee guidelines for the workers' compensation specific services.
- 28 Texas Administrative Code §134.203, effective March 1, 2008, sets out the fee guidelines for reimbursement of professional medical services provided in the Texas workers' compensation system.
- The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
 - 216 – Based on the findings of a review organization
 - 727 – Based on findings of a peer review, treatment exceeds ODG and would require preauthorization

Issue(s)

1. Is the insurance carrier's denial of "216" and "727" supported?
2. Is the requestor exempt from preauthorization for the CARF accredited work hardening program?
3. Did the requestor meet the requirements of 28 Texas Administrative Code §134.600 (p) (4) (B)?
4. Did the requestor submit documentation to support the billed hours of the work hardening program?
5. Is the requestor entitled to reimbursement?

Findings

1. The insurance carrier denied the disputed services with denial reason code "216 – Based on the findings of a review organization" and "727 – Based on findings of a peer review, treatment exceeds ODG and would require preauthorization." The requestor submitted a clarification letter issued by CAS Claims Administrative Services, Inc., dated June 19, 2017 to clarify the insurance carrier's denial. The requestor indicates in pertinent part, "Ms. McDougald contacted bill review Pam Davenport, who advised based on legal opinion the denials should be filed with MDR not IRO. I requested the carrier provide a letter of notification that the IROs would not be submitted to TDI and why. (see attached letter)." The insurance carrier indicated in the clarification letter "Per our discussion, the issue at hand, denial based on lack of preauthorization, does not meet the requirements for an IRO. The appropriate venue would be an MDR."

The division finds that the insurance carrier is no longer disputing medical necessity of the disputed services, however continues to deny the disputed services for lack of preauthorization as services are outside of the ODG. The disputed services will therefore be reviewed to determine if preauthorization was required for the CARF accredited work hardening services.

2. The requestor seeks reimbursement for CPT codes 97545-WH-CA and 97546-WH-CA (CARF accredited work hardening program) rendered on June 27, 2016 through July 18, 2016.

Review of the Texas Department of Insurance, Division of Workers' Compensation Current Exemptions List Updated on 8/29/17 lists the CARF Accredited Work Conditioning and Work Hardening Programs Exempted from Preauthorization and Concurrent Review located at <http://www.tdi.texas.gov/wc/dm/carf-table.html>, contains the name and/or address for WOLMED Southwest Center Medical PA, the requesting provider.

The TDI, DWC Instructions for Requesting or Renewing Exemption requires the following; "Each CARF accredited facility that wishes to request exemption from preauthorization and concurrent review requirements for work conditioning or work hardening must submit the required written documentation to DWC. To maintain DWC exemption status with no time break, facilities must renew before their exemption status expires. Exemption requests are dependent on the date the DWC grants the request. Renewals are intended to maintain the continuity of exemption status and are dependent on the ongoing DWC notification by the facility of the CARF accreditation process. If DWC exemption status expires without a request to renew, the DWC website will reflect a break in the facility's exemption status. In order to limit the break in exemption, the facility should immediately request a new DWC exemption."

The division finds that WOLMED Southwest Center Medical, PA has been exempted from preauthorization and concurrent review by the TDI, DWC. As a result, the requestor's disputed charges are subject to the provisions of 28 Texas Administrative Code §134.600 (p) (4) (B).

3. Per 28 Texas Administrative Code §134.600 "(a) The following words and terms when used in this chapter shall have the following meanings, unless the context clearly indicates otherwise: (4) Division exempted program: a Commission on Accreditation of Rehabilitation Facilities (CARF) accredited work conditioning or work hardening program that has requested and been granted an exemption by the division from preauthorization and concurrent review requirements except for those provided by subsections (p)(4) and (q)(2) of this section."

Per 28 Texas Administrative Code §134.600 "(p) Non-emergency health care requiring preauthorization includes: (4) all work hardening or work conditioning services requested by: (A) non-exempted work hardening or work conditioning programs; or (B) division exempted programs if the proposed services exceed or are not addressed by the division's treatment guidelines as described in paragraph (12) of this subsection."

The requestor therefore has the burden to prove that the disputed CARF accredited work hardening program was recommended by the ODG and therefore not subject to preauthorization.

Review of the submitted documentation finds that the requestor submitted a copy of the ODG Treatment guidelines for knee and leg (Acute and Chronic) for work conditioning, work hardening. The ODG states in pertinent part, "Recommended as an option..." The Division therefore finds that the requestor submitted sufficient documentation to support that the disputed work hardening services were recommended by the ODG and therefore not subject to

preauthorization, per 28 Texas Administrative Code §134.600 (p)(4)(B).

As a result, the insurance carrier's denial reason is not supported and the requestor is therefore entitled to reimbursement for the disputed services.

4. Per 28 Texas Administrative Code §134.204 (h)(1)(A) "The following shall be applied to Return To Work Rehabilitation Programs for billing and reimbursement of Work Conditioning/General Occupational Rehabilitation Programs, Work Hardening/Comprehensive Occupational Rehabilitation Programs, Chronic Pain Management/Interdisciplinary Pain Rehabilitation Programs, and Outpatient Medical Rehabilitation Programs. To qualify as a Division Return to Work Rehabilitation Program, a program should meet the specific program standards for the program as listed in the most recent Commission on Accreditation of Rehabilitation Facilities (CARF) Medical Rehabilitation Standards Manual, which includes active participation in recovery and return to work planning by the injured employee, employer and payor or carrier. (1) Accreditation by the CARF is recommended, but not required. (A) If the program is CARF accredited, modifier "CA" shall follow the appropriate program modifier as designated for the specific programs listed below. The hourly reimbursement for a CARF accredited program shall be 100 percent of the MAR..."

Review of the submitted documentation finds that the requestor billed CPT code 97545-WH-CA and 97546-WH-CA and appended modifier -CA to identify that the work hardening program is CARF accredited, as a result, reimbursement is calculated per 28 Texas Administrative Code §134.204 (h)(1)(A). Reimbursement for CARF accredited programs is calculated at 100% of the MAR. The following table outlines the reimbursement for the disputed work hardening services.

Per 28 Texas Administrative Code §134.204 (h)(3)(A & B) "For Division purposes, Comprehensive Occupational Rehabilitation Programs, as defined in the CARF manual, are considered Work Hardening.

(A) The first two hours of each session shall be billed and reimbursed as one unit, using CPT Code 97545 with modifier "WH." Each additional hour shall be billed using CPT Code 97546 with modifier "WH." CARF accredited Programs shall add "CA" as a second modifier.

(B) Reimbursement shall be \$64 per hour. Units of less than one hour shall be prorated by 15 minute increments. A single 15 minute increment may be billed and reimbursed if greater than or equal to 8 minutes and less than 23 minutes."

Date of Service	Submitted Code	Submitted Charges	Hours	MAR	Paid Amount	Amount Due
June 27, 2016	97545-WH-CA	\$250.00	2	\$64 x 2 = \$128.00	\$0.00	\$128.00
June 27, 2016	97546-WH-CA	\$625.00	5	\$64 x 5 = \$320.00	\$0.00	\$320.00
June 28, 2016	97545-WH-CA	\$250.00	2	\$64 x 2 = \$128.00	\$0.00	\$128.00
June 28, 2016	97546-WH-CA	\$625.00	5	\$64 x 5 = \$320.00	\$0.00	\$320.00
June 29, 2016	97545-WH-CA	\$250.00	2	\$64 x 2 = \$128.00	\$0.00	\$128.00
June 29, 2016	97546-WH-CA	\$500.00	4	\$64 x 4 = \$256.00	\$0.00	\$256.00
June 30, 2016	97545-WH-CA	\$250.00	2	\$64 x 2 = \$128.00	\$0.00	\$128.00
June 30, 2016	97546-WH-CA	\$625.00	5	\$64 x 5 = \$320.00	\$0.00	\$320.00
July 5, 2016	97545-WH-CA	\$250.00	2	\$64 x 2 = \$128.00	\$0.00	\$128.00
July 5, 2016	97546-WH-CA	\$750.00	6	\$64 x 6 = \$384.00	\$0.00	\$384.00
July 6, 2016	97545-WH-CA	\$250.00	2	\$64 x 2 = \$128.00	\$0.00	\$128.00
July 6, 2016	97546-WH-CA	\$750.00	6	\$64 x 6 = \$384.00	\$0.00	\$384.00
July 7, 2016	97545-WH-CA	\$250.00	2	\$64 x 2 = \$128.00	\$0.00	\$128.00
July 7, 2016	97546-WH-CA	\$750.00	6	\$64 x 6 = \$384.00	\$0.00	\$384.00
July 12, 2016	97545-WH-CA	\$250.00	2	\$64 x 2 = \$128.00	\$0.00	\$128.00
July 12, 2016	97546-WH-CA	\$625.00	5	\$64 x 5 = \$320.00	\$0.00	\$320.00
July 18, 2016	97545-WH-CA	\$250.00	2	\$64 x 2 = \$128.00	\$0.00	\$128.00
July 18, 2016	97546-WH-CA	\$750.00	6	\$64 x 6 = \$384.00	\$0.00	\$384.00
TOTAL		\$8,250.00	66	\$4,224.00	\$0.00	\$4,224.00

5. Review of the submitted documentation finds that the requestor is entitled to reimbursement in the amount of \$4,224.00 for CPT Codes 97545-WH-CA and 97546-WH-CA (CARF accredited work hardening program) rendered on June 27, 2016 through July 18, 2016 .

Conclusion

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is \$4,224.00.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sections 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services involved in this dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of \$4,224.00 plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this Order.

Authorized Signature

_____	_____	September 29, 2017
Signature	Medical Fee Dispute Resolution Officer	Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, 37 *Texas Register* 3833, applicable to disputes filed on or after June 1, 2012.

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MFDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.